

OWNERSHIP

For the purposes of facility registration, the facility owner is defined as the person or entity who has the right to receive the payment and the explanation of benefits (EOB) from the payer/insurer. It ties the responsibility for the management of the facility to the profits the facility makes. This is in accordance with the definition of “owner” and “ownership interest” in Title 1, Chapter 1, Subchapter A, Section 1.002 of the Texas Business Organization Code.

In practice, this means that the Therapist in Charge is often not the “owner” of the facility in which he works. The Therapist in Charge can be listed as the owner of the facility only when he – or the company in which he has an ownership interest - is the person/entity who has the right to the payment and the EOB. A contract company providing PT or OT services to a clinic can be the owner only if it meets the same criteria. In most cases, it is easy to identify the person or entity considered the “owner” of the facility for registration purposes. If you have any questions about your existing or future registration, contact the Facility Registration Department.

Change of Ownership

Facility registration cannot be transferred to a new owner. If a facility is bought, sold or ownership is otherwise transferred, the new owner must submit a registration application, pay the registration fee, and receive a new facility registration number. The old registration and renewal certificates must be returned to the board.

A change of ownership is considered to occur when:

- a sole proprietor (individual) incorporates or changes to a partnership;
- a partnership incorporates or changes to a sole proprietor;
- a corporation dissolves and changes its status to a partnership or sole proprietor;
- a sole proprietor (individual), partnership or corporation purchases, sells or transfers the ownership to another individual, partnership or corporation.

Change of Managing Officers

If there is a change of managing partners in a partnership, or managing officers in a corporation, the owner of the facility must send the board written notification within 30 days. Please see the rules for the information required on managing officers.

Frequently Asked Questions

I am the sole owner of my facility. I am considering incorporating. Will that affect my facility registration?

Yes. The Board rules state that a registration may not be sold or transferred, and that a change in the type of ownership requires a new registration.

Who may own a OT or PT facility?

The Boards have no rules restricting ownership of a facility. There is no requirement that an OT own an OT facility, or a PT own a PT facility, nor any restriction against other professionals owning an OT or PT facility. For information about state requirements for business organizations, you should consult an attorney or the Texas Secretary of State's webpage.